

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF)	CASE NO.
WEST MCCRACKEN WATER DISTRICT)	2015-00326

ORDER

On September 28, 2015, West McCracken Water District (“West McCracken”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹ The Commission, having reviewed the record and being sufficiently advised, finds that:

1. West McCracken purchases water from the Paducah Water Works (“Paducah”).
2. Paducah notified West McCracken that effective October 1, 2015, Paducah would increase its wholesale rate to West McCracken from \$1.50 per 1,000 gallons to \$1.70 per 1,000 gallons.² West McCracken proposed to increase the water rates to its customers effective October 1, 2015, to reflect the increased cost of purchased water.
3. West McCracken proposed a purchased water adjustment factor of \$0.20 per 1,000 gallons. West McCracken made a calculation error in its filing and by letter

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2015-00495 (Ky. PSC filed Aug. 14, 2015); The tariff was accepted for filing by the Commission by letter dated September 29, 2015.

requested to adjust the proposed purchase water adjustment factor to the correct amount of \$0.24.³

4. During the 12 months ended May 31, 2015, West McCracken purchased 131,693,400 gallons of water from Paducah and sold 110,990,290 gallons. The increase in the cost of purchased water is \$26,338.68, resulting in a purchased water adjustment factor of \$0.24 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.24 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. West McCracken's proposed rates should be denied.

7. The rates as set forth in Appendix B to this Order, are fair, just and reasonable and should be approved for water service rendered on and after October 1, 2015.

IT IS THEREFORE ORDERED that:

1. West McCracken's proposed rates are denied.

2. The purchased water adjustment factor of \$0.24 per 1,000 gallons is approved.

3. The rates as set forth in Appendix B to this Order, are approved for water service rendered on and after October 1, 2015.

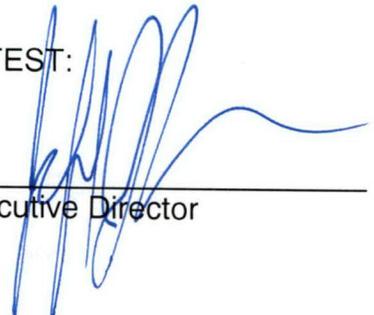
4. Within 20 days of the date of this Order, McCracken County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

³ Letter from Sheila Mansfield, Superintendent, West McCracken Water District, to Jeff Derouen, Executive Director, Public Service Commission, received October 5, 2015.

By the Commission

ENTERED
OCT 20 2015
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2015-00326

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
 COMMISSION IN CASE NO. 2015-00326 DATED **OCT 20 2015**

	New Rate	Base Rate
West McCracken		
Purchases in gallons		
Paducah	131,693,400	131,693,400
Volumetric rate	<u>\$ 1.70/1,000</u>	<u>\$ 1.50/1,000</u>
	\$223,878.78	\$ 197,540.10
Increased water cost		\$26,338.68
Increased water cost		\$ 26,338.68
Divided by gallons sold/1,000		<u>110,990,290</u>
Purchased water adjustment factor		\$ 0.23730 per 1,000 gallons
	or	\$ 0.24 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2015-00326 DATED **UCI 20 2015**

The following rates and charges are prescribed for the customers in the area served by West McCracken Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	100,000 gallons	\$ 5.56 per 1,000 gallons
Over	100,000 gallons	3.86 per 1,000 gallons
Bulk Water Sales		\$ 5.99 per 1,000 gallons

Shiela Mansfield
West McCracken County Water District
8020 Ogden Landing Road
West Paducah, KY 42086

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